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25 October 1963

MEMORANDUM FOR: Director of Security

SUBJECT : Briefing of Bureau of Budget Representative
Concerning OSA Security Function

1. On 24 October 1963 for a period of approximately forty minutes, the writer was invited to discuss with Mr. Donald E. Smith of the Bureau of the Budget OSA Security activities. Mr. Smith was present in the OSA Control Center for the purpose of being briefed by OSA personnel on the 1965 OSA overhead budget. The amount of money involved primarily covered salaries, travel, etc., and did not involve operational funding.

2. Also in attendance at the briefing were [redacted] 25X1
[redacted] Chief, Budget Division, [redacted] Acting 25X1
25X1 Comptroller, [redacted], Chief, Plans, DD/S&T, [redacted] 25X1
[redacted] Manpower Control Officer, [redacted] 25X1
25X1 Chief, DD/S&T Branch, Budget Division, Mr. James A. Cunningham, Jr. and other members of OSA. Although I had been scheduled to brief Mr. Smith later in the day, I was invited to make my comments at an earlier time since Mr. Smith expressed an interest in discussing Security.

3. Earlier in the day in the general observations made by the Acting Assistant Director, OSA, Mr. Cunningham, mention had been made of the fact that the Security element of OSA numbers approximately [redacted] individuals. It was quite apparent from the outset that Mr. Smith desired enlightenment as to the real need for this separate substantial Security element within the CIA. It was apparent, too, from his line of queries that he was interested as to how this group tied in with the main Office of Security. The first question posed to me was how many Security Officers are assigned to OSA. I stated that at the present time there are [redacted] positions which are made up of

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Page 2

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[redacted] staff and [redacted] contract employees. I further invited the attention of Mr. Smith to an analysis I had prepared breaking down these [redacted] individuals by the project which they primarily support. This analysis clearly indicated that [redacted] of the [redacted] individuals directly support Project OXCART. His attention was also invited to another analysis prepared by the writer which showed that [redacted] of the [redacted] individuals are assigned to provide direct support at operational base locations.

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4. Mr. Smith inquired as to our utilization of couriers, and I informed him that from the outset of the U-2 program deciding that it was imperative that the project take be expeditiously and securely moved to the processing location, we have employed our own couriers. Anticipating a question with regard to the use of military couriers, I informed Mr. Smith that we had considered such use (which couriers would have to be officers). However, decided that a much more effective and secure operation could be achieved by using civilian couriers under our direct control, thoroughly security processed (including polygraph) and who would not be conspicuous by their military uniforms in delivering this ultra-sensitive take to our covert processing center (EK). I went on to point out that the large preponderance of courier support to OSA down through the years have been rendered by the Office of Security. I made mention also of our utilization of Security personnel [redacted] to support the movement of sensitive take. He inquired as to the grade level of our couriers. I informed him that the contract couriers designed for OSA utilization are at the GS-7 level; however, they are college men, meet the professional and security criteria for staff employees and we hope will, upon the completion of a two-year tour as a Security contract courier, be eligible for recruitment by the Agency as a staff employee Security Officer. I mentioned that generally the Office of Security couriers provided are about the GS-12 level. I emphasized that since 1956 using this high caliber courier, we have never had a security incident involving the movement of this most sensitive material.

5. Mr. Smith inquired as to whether the writer and his Staff Security Officers were made available by the Office of

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Page 3

Security. I informed him that we are members of the Office of Security Career Service provided by the Director of Security to render security support to the Chief, OSA. He raised the question whether or not the security support could not be just as well rendered from the Office of Security, and I emphatically informed him that such would be impossible. I stated, for example, that we live with the operating people and if an alert meeting is held for a U-2 operational flight (and these meetings are held seven days a week at any hour of the day) a Security Officer is always present. The Security personnel, therefore, made available by the Director of Security to support OSA, is an integral part of OSA operations. [redacted] Chief, Contracts, OSA, added that a contractor is never negotiated without a Security Officer present, and daily intercourse is imperative between Contracts and Security; therefore, they should be co-located. [redacted] observed that after looking at the places where the Security Officers are assigned, the only possible saving in personnel utilization if security support were rendered to the OSA directly out of the Office of Security, would be in the possible saving in supervision. Several members of the group suggested that there would be no saving in this department.

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6. I went on to point out to Mr. Smith that the OSA Security element could not function at all without the tremendous direct support from the Office of Security. I pointed out that the Office of Security provides us career Security Officers; trains professional and contract Security personnel, conducts investigations of and clears individuals for project access, and I mentioned that this is a tremendous workload for the Office of Security; provides Security couriers; provides TDY Security Officers to support our operations in exigencies; [redacted] As an example of the provision of TDY Security assistance I mentioned the present case of [redacted] serving a six-month TDY stint [redacted]. I pointed out to Mr. Smith that in our proposed increase in our T/O, we are asking for a slot to permanently house a replacement for [redacted]

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7. In view of the flexibility provided to the OSA Security element by the Office of Security providing Security assistance as needed, Mr. Smith inquired as to whether or not it would be necessary to ask for an increase in the Security

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Page 4

staffing in future budgets. I made it very clear that such increases are imperative since although the Office of Security has assigned high priority to the support of these ultra-sensitive OSA projects, the Office is at the same time being charged by the DCI with the responsibility for reducing the time taken to process individuals for staff employment. I further indicated that in recent communication from the Director of Security it was made exceedingly clear to me that it is imperative that the overall career ceiling be raised if the OSA is to expect the Office to provide us with PCS Security Officers in the future. For example, I mentioned that the Office must recruit new agents to provide us with four Security Officers who will be assigned overseas when OXCART goes operational. Since there is no room under the Security ceiling at the present time they can not initiate recruiting procedures and hence the necessary Security personnel would not be available when they are needed a few months hence.

8. Getting back to the large number of contract guard personnel we use, it was mentioned by Mr. Cunningham that they, of course, are not charged to staff slots. Mr. Smith raised the question if the Air Force's version of the OXCART vehicle were surfaced whether we could anticipate reducing our Security Staff. Many individuals pointed out that such saving would not occur since the large majority of our Security Officers are assigned to [redacted] in direct support of the OXCART mission.

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9. Mr. Smith asked a question with regard to the several security systems in existence. I briefly recited the circumstances of the birth of the [redacted] pointing out that the Security Staff in OSA, in coordination with the Office of Security, designed this system and patterned it after the "T" System and in fact in 95% of the cases the "T" Control Officer and the [redacted] are identical. I pointed out that in the Special Security Center, Office of Security, to which the management of the [redacted] was transferred incidental to the birth of the NRO also is located the management of the "T" Control System. I added that certain aspects of SI control are similarly located in that one office.

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Page 5

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10. The above are my general recollections of the areas discussed with Mr. Smith. Toward the conclusion he apologized for his provocative questions but stated that he was trying to get the feel of this very complicated area.

11. Attached are copies of materials I had prepared for this briefing. They are being provided for your information since you well may be queried with regard to this matter. I suggest this because Mr. Smith, during the conversations, inquired of [redacted] as to whether the Director of Security reviews the Security requirements of OSA. [redacted] responded that he is quite sure he does and I mentioned that he definitely does, and all assignments of staff personnel to OSA are approved beforehand by the Office of Security Career Service Board.

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Chief, Security Staff
OSA

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Attachments, as stated

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Page 6

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